

D&CP – BUREAU OF RESOURCE MANAGEMENT

Resource Summary

(\$ in thousands)

Appropriations	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Positions	357	357	368	11
Funds	101,759	106,971	146,156	39,185

Mission

The Bureau of Resource Management (RM), led by the Assistant Secretary for Resource Management and Chief Financial Officer, administers and oversees the Department's strategic and performance planning, budgeting, global financial services, and financial management functions. Core activities include: strategic and performance planning; budget formulation and execution for State Department programs and operations; financial reporting; accounting; payroll; and financial services to missions overseas, including other U.S. government agencies. The Department now manages domestic and overseas financial operations for approximately 260 posts at the Financial Service Center in Charleston, South Carolina, with a supporting Financial Service Center in Bangkok, Thailand, and a small financial support and training office in Paris, France.

Priorities

RM provides strategic and performance planning, budget formulation and execution and world-class financial services to serve the Department and its posts, which operate in approximately 260 locations in 172 countries and transact business in over 150 currencies. RM serves nearly 100,000 customers, including more than 40 U.S. Government agencies in every corner of the world, twenty-four hours a day, seven days a week.

The Bureau has four primary financial priorities:

- Request, allocate, and execute financial resources
- Report on, account for, and analyze use of resources
- Link resource requirements to priorities and planning
- Increase the strength and capability of the Department's financial management team

RM works closely with counterparts in OMB, Congress, DOD, USAID, Treasury, and other foreign affairs agencies to secure the needed resources to advance U.S. foreign policy priorities. The Bureau assists the Secretary, Deputy Secretary, and Under Secretaries, as well as other foreign affairs agencies, in developing budgets that fund the Administration's foreign policy objectives. The Bureau also coordinates with the Office of the Director of Foreign Assistance and ensuring the integration of State operations resource requests with foreign assistance requests. The result is an integrated budget submission to OMB and the Congress. Integration of budget and performance provides the Department's leadership with the information needed to make informed performance-based resource decisions.

Providing first-class core financial and planning services to the Department requires sufficient resources. RM has managed its limited resources as effectively as possible, but the additional and increasingly more complex requirements of financial and performance management make it paramount that additional resources are provided.

RM will continue to serve the Department and meet the needs of its domestic and international customers by leveraging best business practices and electronic technologies. While modernizing major corporate financial management systems and consolidating financial operations, RM is adopting new technologies to improve and reengineer business processes. RM is proactive in career development of the financial management staff and ensures that the staff's skills are utilized effectively to achieve corporate financial management objectives.

RM's focused efforts for FY 2010 will be to:

- Work with Congress to justify and secure the Department's budget request
- Develop solid financial reporting and analysis capabilities
- Expand the Post Support Unit and to centralize more financial processing

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- Improve interagency coordination through International Cooperative Administrative Support Services
- Institutionalize the use of public-private partnerships in bureaus and at missions through the Global Partnership Center
- Establish a more robust capability to evaluate program resources and effectiveness
- Identify cost-effective solutions to cross-cutting budget issues
- Build a top-notch financial team by proactively participating in the financial management officer assignments process consistent with CFO Act responsibilities

Performance

The Global Financial Management System (GFMS) is reported on the President's Management Agenda Scorecard for Improved Financial Performance. GFMS integrates the Department's overseas and domestic financial operations onto a common platform and provides a single integrated view of financial information through data standardization, common business processes, and the seamless exchange of information through the Department's financial management and administrative environments. Underlying GFMS is a Commercial off the Shelf (COTS) platform that is maintained by the vendor to stay current with regulatory and legislative requirements, as well as technology and operating standards. Upgrading the COTS platform provides the Department with a cost-effective means of introducing operational improvements and maintaining compliance with continually evolving regulatory and legislative requirements.

STRATEGIC GOAL: STRENGTHENING CONSULAR AND MANAGEMENT CAPABILITIES	
Strategic Priority: Planning and Accountability	
Indicator: Status of Global Financial Management Systems (GFMS) Software	
Target FY 2010	Complete the planning for an upgrade to the underlying Momentum COTS platform for GFMS.
Target FY 2009	Implement processes to provide data from the Global Financial Management System to the Enterprise Data Warehouse.
Target FY 2008	Implement e-Travel interface with the GFMS and the acquisitions component of the data warehouse.
Results FY 2008	Rating: On Target Implemented e-travel interface with the GFMS and the acquisition component of the data warehouse.
Impact	Implementing the e-Travel/GFMS interface enabled domestic deployment of e-Travel in accordance with the OMB and GSA approved eGov schedule. Implementing the acquisition component of the data warehouse provided easily accessible acquisition data for reporting to the Contracting Officer community and enables future enterprise-wide analysis of acquisition information.
Results FY 2007	Implemented GFMS for all domestic and corporate organizations in June 2007, and executed FY 2007 year-end closing in early October 2007.
Results FY 2006	Indicator and baseline were established in 2007.
Results FY 2005	Indicator and baseline were established in 2007.
VERIFICATION AND VALIDATION	
Data Source and Quality	A Global Financial Architectural Review process including formal sign-offs was established by the Bureau of RM where software requirements are first identified, scoped and prioritized. The decision makers are the Deputy CFO, Deputy Assistant Secretary for Global Financial Services and the Managing Director. Separate resources staff this function.

Global Financial Services (GFS) uses its ISO 9001 key metrics to actively measure its performance against 73 key work metrics and reviews these measures for any needed management action on a monthly basis. This RM measure reflects GFS's consistent and improving performance in meeting these aggressive but achievable target metrics that directly impact effective and efficient provision of financial management services to the Department, which supports RM's strategic goals and the Department's framework goal of Management Excellence.

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STRATEGIC GOAL: STRENGTHENING CONSULAR AND MANAGEMENT CAPABILITIES	
Strategic Priority: Planning and Accountability	
Indicator: Continuous Improvement in Financial Services to the Department of State using Performance Metrics to monitor and improve effectiveness and efficiency.	
Target FY 2010	Meet or exceed 75 percent of aggressive monthly performance metric goals for the Department's core financial operations.
Target FY 2009	Meet or exceed more than 70 percent of aggressive monthly performance metric goals for the Department's core financial operations.
Target FY 2008	Meet or exceed more than 65 percent of the established aggressive monthly performance metric goals for the Department's core financial operations.
Results FY 2008	Rating: On Target Met or exceeded 68 percent of the more than 60 key global financial operations performance metric goals for core financial operations, under an ISO 9001 Quality Management System operating standard.
Impact	The on/above target result of this measure reflects the overall performance of core Department financial operations contributing directly to the overall Management Excellence strategic goal of the Department.
Results FY 2007	Established and tracked on a monthly basis more than 60 key global financial operations performance metrics for core financial operations under an ISO 9001 Quality Management System operating standard.
Results FY 2006	Indicator and baseline were established in 2007.
Results FY 2005	Indicator and baseline were established in 2007.
VERIFICATION AND VALIDATION	
Data Source and Quality	The data source is the GFS ISO 9001 Quality Management System. Performance goal data is collected from business owners, fully document and archived, and shared with all managers each month. Managers meet monthly with the GFS DAS to review results/progress and to assess any needed management actions.

Justification of Program Change

Increase Budget Execution and Formulation Expertise

RM requests \$848,000 for ten new positions in the Budget and Planning division. Since FY 2003, the Department's appropriations have grown by over 50 percent. The positions will improve budget procedures and systems, increase cross-cutting budget analysis such as exchange rate adjustments and overseas inflation impacts and provide additional expertise in budget formulation and execution.

Program Evaluations

The request includes funding for one position in the Strategic and Program Planning division to support the demand for evaluation services at the Department. Evaluation requests have increased steadily in recent years, however, bureaus and missions do not have sufficient staff, expertise or resources to meet their needs. As a result, the Department has had only limited capacity to fulfill its fiduciary responsibility to provide credible evidence of the effectiveness of many of its programs. The position will complete a minimum of four evaluation projects in FY 2010.

New Auditor

In FY 2009, the Department hired a new independent auditor. \$3 million is requested for the contract with the new audit firm that will provide audit enhancements including new audit tools and sampling techniques.

Improvement in Infrastructure and Financial Oversight

RM requests \$1.3 million to improve financial systems infrastructure and increase financial oversight capabilities. The major initiatives in FY 2010 include replacing hardware for systems that are vital to the Continuity of Operations Plan,

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imaging American payroll files, increasing staff support in the Oversight and Management Analysis department at the GFS and providing additional travel and contract support at the Global Partnership Center.

FY 2010 Request Resource Summary

	Positions			Pos Total	Funds (\$ in thousands)		
	American Domestic	Overseas	FSN		Bureau Managed	American Salaries	Funds Total
FY 2008 Actual	357	0	0	357	52,292	49,467	101,759
FY 2009 Estimate	357	0	0	357	55,503	51,468	106,971
FY 2010 Built-in Changes							
Annualization of FY 2009							
American COLA	0	0	0	0	293	254	547
Domestic Inflation	0	0	0	0	50	0	50
FY 2010 American Cost of							
Living Adjustment	0	0	0	0	782	775	1,557
Recur BPMA Adjust	0	0	0	0	1,893	0	1,893
IT O&M-RM	0	0	0	0	29,993	0	29,993
Total Built-in Changes	0	0	0	0	33,011	1,029	34,040
FY 2010 Current Services	357	0	0	357	88,514	52,497	141,011
FY 2010 Program Changes							
Annual Audit Fees - New							
Auditor	0	0	0	0	3,000	0	3,000
Expansion of Budget &							
Planning	10	0	0	10	241	607	848
Image American Payroll Files	0	0	0	0	950	0	950
COOP Hardware Replacement							
Funding	0	0	0	0	122	0	122
Global Partnership Center							
Office Funding	0	0	0	0	150	0	150
Improving Financial Oversight							
of DOS Operations	0	0	0	0	75	0	75
Program Evaluations	1	0	0	1	0	0	0
Total Program Changes	11	0	0	11	4,538	607	5,145
FY 2010 Request	368	0	0	368	93,052	53,104	146,156

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Staff by Program Activity (positions)

Bureau of Resource Management	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Domestic Administrative Support	280	280	290	10
Domestic Administrative Management	11	11	11	0
Domestic Financial Services	264	264	274	10
Domestic Personnel Services	5	5	5	0
Information Resource Management	37	37	38	1
Corporate Information Systems and Services	35	35	36	1
Financial Systems	35	35	36	1
Infrastructure Systems	2	2	2	0
Diplomatic Pouch and Mail	2	2	2	0
Overseas Program Support	30	30	30	0
Overseas Financial Services	30	30	30	0
Policy Formulation	10	10	10	0
Bureau Direction	10	10	10	0
Total	357	357	368	11

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Funds by Program Activity

(\$ in thousands)

Bureau of Resource Management	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Domestic Administrative Support	25,270	25,119	32,426	7,307
Domestic Administrative Management	9,449	5,491	12,086	6,595
Domestic Financial Services	15,489	19,277	19,978	701
Domestic Personnel Services	332	351	362	11
Information Resource Management	20,257	21,257	51,959	30,702
Corporate Information Systems and Services	20,042	21,034	51,729	30,695
Financial Systems	20,042	21,034	51,729	30,695
Infrastructure Systems	215	223	230	7
Diplomatic Pouch and Mail	215	223	230	7
Overseas Program Support	39,239	40,547	43,443	2,896
International Cooperative Administrative Support Services (ICASS)	21,790	22,781	25,446	2,665
Overseas Administrative Management	300	300	300	0
Overseas Financial Services	17,149	17,466	17,697	231
Policy Formulation	16,993	20,048	18,328	(1,720)
Bureau Direction	16,993	20,048	18,328	(1,720)
Total	101,759	106,971	146,156	39,185

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FY 2010 Request Program Activities

Department Of State	Positions				Funds (\$ in thousands)		
	American Domestic	American Overseas	FSN	Pos Total	Bureau Managed	American Salaries	Funds Total
Domestic Administrative Support	290	0	0	290	13,837	18,589	32,426
Domestic Administrative Management	11	0	0	11	9,733	2,353	12,086
Domestic Financial Services	274	0	0	274	4,104	15,874	19,978
Domestic Personnel Services	5	0	0	5	0	362	362
Information Resource Management	38	0	0	38	35,976	15,983	51,959
Corporate Information Systems and Services	36	0	0	36	35,976	15,753	51,729
Financial Systems	36	0	0	36	35,976	15,753	51,729
Infrastructure Systems	2	0	0	2	0	230	230
Diplomatic Pouch and Mail	2	0	0	2	0	230	230
Overseas Program Support	30	0	0	30	26,158	17,285	43,443
International Cooperative Administrative Support Services (ICASS)	0	0	0	0	16,096	9,350	25,446
Overseas Administrative Management	0	0	0	0	300	0	300
Overseas Financial Services	30	0	0	30	9,762	7,935	17,697
Policy Formulation	10	0	0	10	17,081	1,247	18,328
Bureau Direction	10	0	0	10	17,081	1,247	18,328
Total	368	0	0	368	93,052	53,104	146,156

Staff by Domestic Organization Unit (positions)

Bureau of Resource Management	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Chief Financial Officer (Comptroller)	8	8	12	4
Deputy Assistant Secretary for Budget & Planning	48	48	58	10
Deputy Assistant Secretary for Financial Services	170	170	161	(9)
Deputy Assistant Secretary for Strategic and Program Planning	9	9	10	1
Deputy Chief Financial Officer	81	81	86	5
Executive Office	34	34	34	0
Intelligence Resource Planning	7	7	7	0
Total	357	357	368	11

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Funds by Domestic Organization Unit

(\$ in thousands)

Bureau of Resource Management	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Chief Financial Officer (Comptroller)	2,566	3,123	3,421	298
Deputy Assistant Secretary for Budget & Planning	5,611	6,334	8,157	1,823
Deputy Assistant Secretary for Financial Services	43,794	47,087	54,697	7,610
Deputy Assistant Secretary for Strategic and Program Planning	2,053	2,089	3,214	1,125
Deputy Chief Financial Officer	26,322	26,088	48,322	22,234
Executive Office	19,883	20,494	26,518	6,024
Intelligence Resource Planning	1,530	1,756	1,827	71
Total	101,759	106,971	146,156	39,185

Funds by Object Class

(\$ in thousands)

Bureau of Resource Management	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
1100 Personnel Compensation	33,878	35,205	36,514	1,309
1200 Personnel Benefits	22,709	23,383	23,923	540
2100 Travel & Trans of Persons	1,126	1,233	1,283	50
2200 Transportation of Things	10	10	10	0
2300 Rents, Comm & Utilities	7,509	7,509	7,509	0
2400 Printing & Reproduction	862	862	862	0
2500 Other Services	35,028	38,132	72,432	34,300
2600 Supplies and Materials	347	347	347	0
3100 Personal Property	290	290	3,276	2,986
Total	101,759	106,971	146,156	39,185